Oklahoma Current Farm Economics

General Outlook
Crop Outlook
Livestock Outlook

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LEO V. BLAKLEY, Editor L. F. MILLER, Dept. Head

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DIVISION OF AGRICULTURE

Oklahoma A. & M. College, Stillwater

Oklahoma Agricultural Experiment Station, Louis E. Hawkins, Director, Stillwater, Oklahoma.

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The 1956 Agricultural Outlook

General Outlook

Level of Economic Activity[1]

The general level of economic activity for the coming year will be determined to a large extent by the levels of the following four factors: (1) consumer expenditures, (2) investment, (3) government and state expenditures, and (4) foreign trade. The present situation and potential future prospects for each of these factors are presented below.

Since 1939 there has been a steady increase in the disposable income of consumers, and this was true for 1955. In the third quarter of 1955, consumer incomes after taxes were at a record of 272 billion dollars, or 7 percent above a year ago. A record number of people employed, a longer work week, and increased wages contributed to this record flow of income to consumers. In addition, increased use of credit and a reduction in savings have added to consumer buying power. This increased strength of consumer demand over last year has been responsible for the major part of the advance in the level of economic activity. Consumer demand should continue strong in 1956, although the increase in income will probably be smaller than that of the past year.

Some tightening of mortgage credit has caused expenditures for new homes to decline slightly from the peak rates of the second quarter of 1955. However, recent estimates of the Departments of Commerce and Labor indicate that expenditures for residential construction in 1956 may be very close to the levels for 1955.

These reports also indicate some further rise in non-residential construction in 1956. Outlays by business for new plant and equipment are currently running at a record annual rate of 29 billion dollars. A recent survey of business investment plans by the McGraw Hill Company indicates that the present upswing in business capital outlays will continue in 1956. High corporate earnings and larger depreciation reserves are available to support this further expansion in business investment. The prospect is that business inventories will continue to rise in 1956. A moderate increase in inventories probably would not result in excessive stocks relative to the present volume of trading. However, if the rise in inventories should become excessive in the first half of 1956, then inventory demand would decrease and would be a negative factor in the rise in economic activity.

[1] Basic statistics for this section were obtained from "The Demand and Price Situation" AMS, USDA, October 1955, pages 1-31.

It appears that little change will occur in national security outlays and that federal government purchases of goods and services are expected to remain at about 1955 levels. Building programs for schools, highways and other local facilities should continue their expansion in 1956.

With free world foreign countries in an improved international financial condition, world trade reached record levels in 1954-55. Foreign gold and dollar assets increased over 2 billion during the year. Current trends indicate that foreign countries will continue to build up dollar assets, although at a reduced rate.

In general it appears that most of the economic factors that determine the level of economic activity will be at current levels or increase and that business conditions should continue to be good in 1956.

Farm Prices and Income

Since 1951, national income has risen substantially but farm income has definitely decreased and the farmer has not shared in the general increase in prosperity in recent years. There are at least three main reasons for this: (1) high rates of production and large carryovers of farm products, (2) a large drop in agricultural exports from 1951-52, and (3) inflexibility of costs of production and marketing.[2]

Within this general framework the domestic demand for food and other farm products should continue high in 1956. Higher consumer incomes should mean an increase in expenditures for food. However, this demand may be felt more in services related to processing and marketing than on the demand for products at the farm level.

Foreign demand for U. S. farm products increased 7 percent in value and 12 percent in volume in fiscal 1954-55. There is reason to believe that the improved level of exports should be maintained in 1956. However, one factor that may limit foreign demand is expanding supplies and increased competition from foreign countries.

The price of farm products in 1956 may average slightly below those for 1955. With a continued high level demand, livestock and livestock products are expected to average about 1955 levels. Due to large supplies, crop prices probably will average below 1955. Some reductions in price support levels could occur for wheat, rice, cotton and corn.

Net income of farm operators in 1955 may be 10 percent lower than in 1954. A further decline in net income is in prospect for 1956 if production costs continue at their same levels or increase. Most of the economic factors underlying the farm return situation indicate some further lowering of returns to agriculture in 1956 as contrasted to increasing returns in the non-agricultural sector.—**G. G. Judge.**

[2] From a speech by Fred V. Waugh before the Agricultural Outlook Conference in Washington November 28, 1955, page 2.

Crop Outlook

Cotton

The supply of cotton for 1955-56 is now estimated at 25.8 million bales. This supply consists of production of 14.7 million bales, carryover into the current season of 11.1 million bales, and imports of about 0.2 million bales.

The yield of lint per acre for 1955-56 is indicated at 416 pounds.* This is somewhat below the November 1 estimate but is significantly higher than the 341 pound yield for 1954. This higher yield will result in about 7 percent more total production on 13 percent fewer harvested acres.

Oklahoma's estimate was unchanged in December at 450,000 bales harvested from 785,000 acres. This represents a yield of 275 pounds per acre which is the third highest on record.

Total disappearance of U. S. cotton in 1955-56 may be down somewhat from last year. Domestic mill consumption should be higher but exports are expected to decline enough to cause a decrease in total disappearance. This will result in a record high cotton carryover on August 1, 1956.

On the domestic side of the market, consumer incomes are high and stocks of some cotton goods are low relative to unfilled orders. It is expected that domestic mill consumption may increase to the 9.3-9.5 million bale level for the current season. However, synthetic fibers will continue to compete with cotton for many of our domestic markets.

On the export side of the market, cotton production in the foreign free world is now estimated at 16.7 million bales. This is about 1.0 million bales more than a year ago. In addition, prices of this cotton are below prices of comparable grades of United States cotton. Both these factors are causing reductions in U. S. exports. During August and September, for example, exports of U. S. cotton were less than half as large as exports during the same period of last year.

Spot prices of cotton have been slightly below loan levels because of the shortage of storage facilities. Spot prices have also been below prices a year ago. In the U. S., the average price received by farmers was reported at 32.42 cents per pound. The price in Oklahoma averaged 29.0 cents per pound.

Unless new legislation is introduced, cotton farmers should begin to prepare for lower price supports on cotton for next year's crop. The exact level has not been determined but the direction of change is evident. The actual support price will depend on the parity index, the estimate of domestic disappearance plus exports, a 30 percent allowance for carryover, the set aside, and the percentage that actual supply is of normal supply.—**Leo V. Blakley.**

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* *Oklahoma Cotton Report December 1, 1955*, Oklahoma Crop and Livestock Reporting Service, AMS, USDA, Oklahoma City, Oklahoma.

Wheat

The most recent estimate of the 1955 wheat crop places production of all wheat at about 916 million bushels. This is nearly 6 percent smaller than the 1954 crop and about 21 percent less than the 1944-53 average. The change in current crop estimate from the September 1 prospects (917 million bushels) reflects a decrease in spring wheat other than durum. The winter wheat crop estimate has remained unchanged since August 1.

Wheat supplies in the 1955-56 marketing year are the largest on record. The 1,941 million bushels are 3½ percent above total supplies on the same date last year.

Domestic disappearance for 1955-56 is estimated at approximately 625 million bushels, an increase of nearly 8 percent above the past year. This would leave about 1,316 million bushels available for export and carry-over. If exports equal the 274 million bushels exported in 1954-55, the carry-over on July 1, 1956 would be approximately 1,042 million bushels. This would be an increase of only 2 percent over the carry-over of a year ago and the smallest increase since July 1, 1953.

During the past two years, wheat production in the U. S. has been brought into much closer balance with quantities demanded at present prices. This has been partially accomplished by a reduction in acreage and by the maintenance of exports through the aid of Government financing. However, with world wheat production increasing, it may be somewhat difficult to maintain our present level of wheat exports over the next several years. Even if we could maintain exports and domestic disappearance at their present levels, the total production from the present minimum allotment of 55 million acres would, assuming average yields, result in an annual production nearly equal to total disappearance.

Although the U. S. has the largest stocks of wheat in history, prices early in the season have been closer to loan levels than usual. The national average support price for the 1956 wheat crop will be not less than $1.81 per bushel (76 percent of the estimated parity level) for producers in the commercial wheat states who comply with individual farm acreage allotments. This price will be raised, however, if a combination of changes in parity value and the supply situation calls for an increase on July 1, 1956.*—**Nellis A. Briscoe.**

Feed Outlook

Supplies

Total supplies of feed grain and other concentrates have reached a new high of 197 million tons for the 1955-56 season. This is well

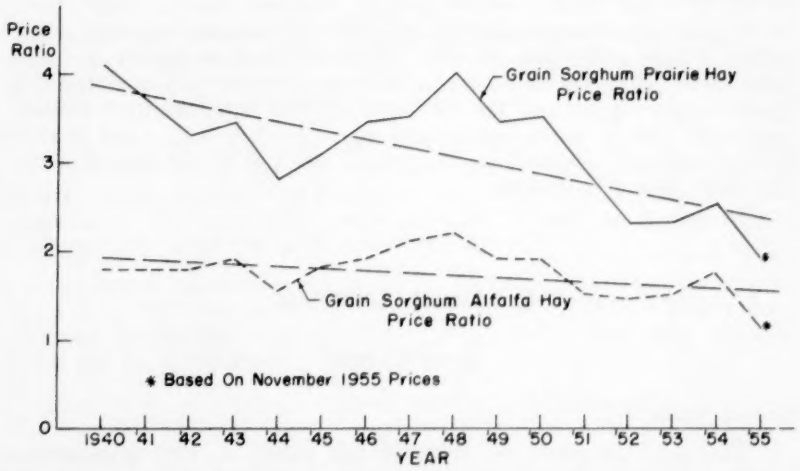
* Summarized from the *Wheat Situation*, AMS, USDA August 19, 1955 and October 31, 1955.

above the previous year and 14 percent larger than the 1949-53 average. The estimated supply of feed grains and concentrates per animal unit is 7 percent larger than last year. The record carryover of 3.9 million tons this year is almost twice the carryover of 1952.

The feed grain supply is 11 percent larger than last year, with the increase coming about equally from larger production and larger carryover stocks. The total acreage of feed grains has increased 12 percent during the past two years and is expected to be maintained at a high level in 1956. With a big carryover in prospect, a normal growing season would result in another large supply of feed grains for next year. The geographic distribution of feed grain supplies is much better this year than for the previous 3 years.

Supplies of high protein feeds are estimated to be slightly larger in total and per animal unit in 1955-56, with the most of the estimated increase due to soybean meal. The total hay supply is about 4 percent greater than last year, with little change in the per animal unit supply.

Figure 1. Oklahoma Grain Sorghum-Alfalfa Hay and Grain Sorghum-Prairie Hay Price Ratios 1940-1955, with Trends.



In Oklahoma, both the Grain Sorghum-Alfalfa Hay and the Grain Sorghum-Prairie Hay ratios have declined over the period 1940-55, and in November, 1955 both stood at a low for the period. Also, during this period the price of alfalfa hay has declined relative to prairie hay. The ratio is the pounds of hay which equals the value of a pound of grain sorghum. All prices except 1955 are based on the annual average for the State.

Source: Based on *Prices Received by Oklahoma Farmers* as reported by the Federal State Crop and Livestock Reporting Service. These data also may be obtained from this and previous issues of *Current Farm Economics*.

Roughages and Feed Grain Prices

Prices of both feed grains and roughages are expected to average lower in the 1955-56 feeding season than in 1954-55, especially throughout the winter. In October, prices received by farmers for feed grains averaged 21 percent lower than last year, with high protein wholesale prices down 12 percent. Hay prices are also lower but the decline has been less than for feed grain prices.

Grain and Roughage Prices and Price Ratios

Recent shifts in the grain-hay price ratios (i.e. the relative price of feed grains and hay) suggest the need for livestock producers to adjust feed rations. The grain-hay price ratio is the pounds of hay that can be purchased with a pound of grain. Thus, when grain is 2¢ per pound and hay is 1¢ the grain-hay price ratio is 2.0.

The grain sorghum-alfalfa hay price ratios and the grain sorghum-prairie hay price ratios for the years 1940-54 are shown in Figure 1. During this period the trends for both grain-hay price ratios have been downward. That is, grain has become cheaper relative to hay. For example, in 1940 the grain sorghum-prairie hay price ratio was 4.1 while the November 1954 ratio was 2.5. Thus 100 pounds of grain sorghum would purchase barely half as much hay in November 1954 as it would in 1940.

Within rather wide limits, grain can be substituted for hay in the rations of beef and dairy animals. However, since the grain-hay price ratios stand at the lowest points in the past 15 years, rations containing relatively more grain and less hay may offer an opportunity for lower production cost on farms and ranches where producers have not already made appropriate changes in response to price shifts.—**Kenneth Tefertiller and James S. Plaxico.**

Livestock Outlook

Beef Cattle

United States

The total slaughter of all cattle and calves in 1955 is estimated at 40.0 million head, or 2 percent more than in 1954. There was a substantial increase in the slaughter of female stock in 1955, and it is expected to continue through 1956. However, even in 1955 cow and heifer slaughter represented less than 50 percent of total slaughter. Slaughter of other classes was cut back slightly in 1955. For 1956, cattle slaughter may decline slightly.

No data are available on the size of the 1955 calf crop; however, from the number of cows and heifers on farms at the January inventory

it is estimated to be the same. Therefore, it is expected that there will be little change in beef cattle numbers in 1956. Numbers of cattle on farms and ranches, which increased to a record 95.4 million in January 1955, are more likely to decrease than to increase in 1956.

A strong demand for meat, rising supplies and declining prices of feed, and relatively higher prices of fed cattle (relative to other classes) have contributed to a record cattle feeding activity. On October 1, the number of cattle on feed in the 13 major feeding states was about 19 percent greater than last year. Some of these cattle had been on feed for some time, but a part of the increase was caused by early placing of cattle on feed. Cattle feeding activity is expected to continue large in 1956.

Not much change is expected in the level of cattle prices (both fed and feeder or stocker) in 1956 with usual weather conditions. Demand should continue strong and marketings should remain about the same. The usual seasonal price changes are expected for most classes unless large numbers hit the market at the same time.

Oklahoma

Cattle and calves were reported in good condition on November 1, which is much better than the condition of a year ago. Marketings were rather slow in some sections during October. Receipts of cattle and calves at the Oklahoma National Stockyards amounted to 92,441 head, which compares with 95,809 in October of last year. Total receipts January-October inclusive amounted to 737,572 head compared with 832,335 head during the same period last year.

The average price received by Oklahoma farmers on November 15, 1955 was $12.70 per cwt. for beef cattle and $15.50 per cwt. for calves. This was $.90 and $1.50 per cwt. below last mid-month's price respectively. In comparison with November a year ago it amounted to $.30 per cwt. more for both cattle and calves.

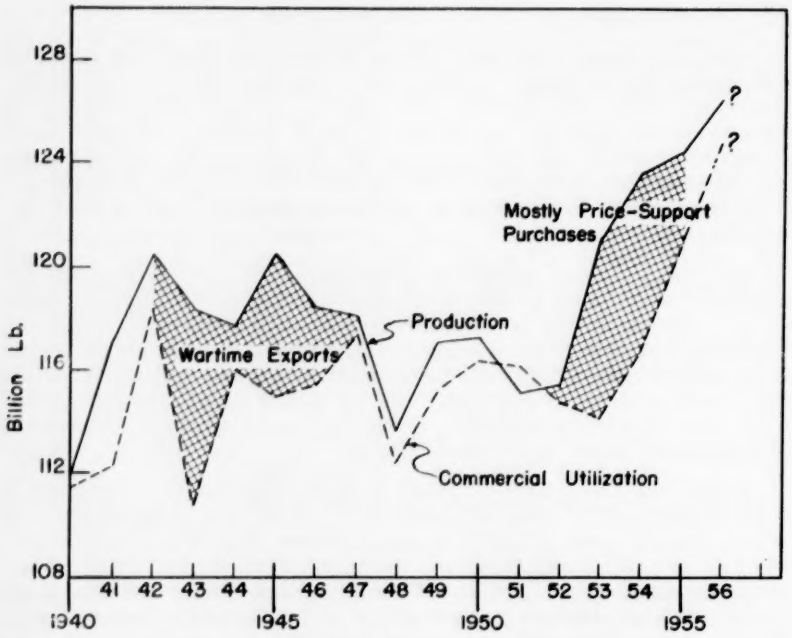
Slaughter of cattle and calves in Oklahoma during the first 10 months of 1955 decreased from the same period of 1954. The number of sheep, lambs, and hogs slaughtered was higher. The same situation exists for U. S. slaughter.—**Hugh Winn.**

Dairy

A high demand for dairy products is assured for 1956 as (1) consumer income will remain high, (2) a small increase in per capita use of dairy products is expected, (3) the number of consumers should increase by about 2.6 million, and (4) foreign sales and aid programs are expected to increase.

The total milk supply for 1956 is expected to exceed 1955 supplies by more than 2 billion pounds. Dairy cow numbers are not expected

Figure 2. Milk Production Exceeds Total Commercial Use in Recent Years



Sourse: Agricultural Outlook Charts; ARS, USDA.

to change materially but the abundant feed supply will increase production per cow and reduce culling. Production per cow has increased by 16 percent for the United States and 10 percent for Oklahoma from 1940 through 1955.

The impacts of mechanization and fewer but larger milking herds in the industry promise to be greater in the years ahead. Less labor used in handling dairy cows and in milk production is making dairying more attractive. These changes combined with new techniques in cooling and hauling promise to be important in Oklahoma during the coming year.

Total U. S. milk production and utilization from 1940 through 1955, are presented in Figure 2. Wartime exports largely filled the gap between commercial utilization and exports for the period 1942 through 1947. The other large period of surplus has been since 1952. Large government purchases have been necessary to fill this gap. The year 1956 appears to be one of fairly large domestic surpluses. However, government stocks of dairy products are below one year ago and stocks of butter and nonfat dry milk are the lowest since 1953. Cheese

Table I.—Selected Prices and Class I Utilization Percentages for the Tulsa-Muskogee and Oklahoma City Markets, October 1955.
(Dollars per 100 pounds)

		Tulsa-Muskogee		Oklahoma City	
		Oct. 1955	Oct. 1954	Oct. 1955	Oct. 1954
Uniform blend prices	(4.0%)	4.92	5.37	4.97	4.96
Class I price	(4.0%)	5.349	5.784	5.39	5.33
Class II price	(4.0%)	3.14	3.08	3.12	3.05
Percent in Class I		81.12%	84.88%	80.43%	83.8%

Source: Market Administrator's bulletins and releases, Tulsa, Oklahoma and Oklahoma City, Oklahoma, AMS, USDA.

stocks continue high. Added consumption and gift programs may reduce CCC purchases somewhat for next year.

Five important phases of the expansion of foreign markets are in use. They have resulted in substantial increases in foreign sales for the first 9 months of the year as indicated in the comparison of U. S. exports of specific dairy products, particularly butter, from January through December 1954 and 1955.

	1954 *(pounds)*	1955 *(pounds)*
Butter	1,144,000	12,925,000
Cheese	3,379,000	13,194,000
Nonfat Dry Milk Solids	131,239,000	173,319,000

The specific types of programs are:

(1) Agricultural Trade Development and Assistance Act of 1954: Agreements have been concluded with 20 foreign governments covering agricultural commodities having a market value in excess of 400 million dollars. Substantial quantities of dairy products are included.

(2) Mutual Security Act of 1954: Under Section 402, 14 million dollars have been authorized for the purchase of U. S. surplus dairy products.

(3) Recombined Products: The feasibility of recombining products in a commercial way has been thoroughly demonstrated during the past year. Visits have been made to 12 Latin American countries explaining the value of recombined programs. Several locations are in the planning stage. Recombining programs in the Far East are continuing.

(4) Marketing Butter in the Form of Ghee: Problems involved in manufacturing ghee from butter have been worked out and actual shipments are expected in the near future.

(5) Dairy products have been displayed at foreign fairs and expositions.

Generally, milk prices are expected to remain at present levels in 1956. Fluid milk prices will be influenced by mandatory support prices (set at 76 percent of parity for butterfat and 80 percent for

manufacturing milk, until April 1956) and the "large pool" of Grade A fluid milk in the northern states.

In Oklahoma fluid milk prices for October have remained stable in Oklahoma City and declined in Tulsa from levels of a year ago. The decline in the Tulsa market resulted from lower Class I prices and less Class I utilization (Table I). Class II prices in both markets increased from a year ago.—**A. W. Jacob.**

Hogs

United States:

Hog slaughter is expected to be slightly larger in 1956 than in 1955, with the first half of the year about like the last half of 1955. Hog production may level out or even drop off a little during the year although many hog producers may find few farm income alternatives that will be as attractive as hogs, profit-wise. Such producers may keep pork production at a fairly high level throughout 1956 in spite of poor price prospects. Large feed supplies and lower feed prices along with a fairly strong consumer demand for meat is likely to contribute to this situation.

The usual seasonal rise in hog prices at this time of the year appears to be hidden in the general hog price decline that began two years ago. The rate at which this decline has been moving the last month or two suggests the price decline is now in the process of slowing down but may pick up when the 1955 fall pig crop comes on the market this spring. At this time, prices could decrease as much as $2.00 per hundredweight below November-December 1955 prices. If hog production and livestock production continue to receive the boost they have recently, hog prices are not likely to rise to very high levels throughout 1956. As long as supplies of all meats remain at current levels, consumers are likely to be very "choosey" even at present meat prices. Greatly increased consumer buying is not expected under these market conditions.

Hog producers, in order to meet the expected low hog-price level, will need to look at their production costs very carefully for the answer to their individual profit problems. This situation likely will be true for all livestock producers in 1956.

Oklahoma

Hog slaughter for the first 10 months of 1955 has been only slightly greater than in 1954. While hog slaughter for the U. S. rose in September this year, Oklahoma slaughter did not begin its expected rise until October, when 78 thousand head were slaughtered. This was an increase of 12 thousand head over a month earlier and 5 thousand above October of 1954. This suggests that marketings in Oklahoma are lagging behind those for the U. S. and may follow a similar pattern in the early months of next year.

Hog prices this fall have been a little stronger in Oklahoma than for the United States, although the pattern of declining hog prices was general. This poor price situation is not likely to make any major improvement throughout 1956. Large supplies of all meats will likely prevent major changes in this situation—particularly at the relatively high livel of production we have now attained.

Lower hog prices are likely by the latter part of February in spite of strong consumer demand. Many farmers simply do not have any other farm income alternatives that are as good as hogs.—**Kenneth B. Boggs.**

Poultry

The poultry industry has had favorable price relationships since September. The egg-feed price ratio has continued to increase from a low of 7.3 in June to 12.6 in November. Prices for eggs increased while feed prices decreased. These favorable price ratios are likely to continue throughout the first half of 1956. Lower prices of hogs and beef cattle may reduce the demand for grains for feeding at present prices. Thus, feed prices are expected to decline more than egg prices during the flush production period next spring.

The Department of Agriculture is estimating the number of layers on farms January 1, 1956, to be about 3 percent below 1955. This estimate may understate producer adjustments to comparatively low egg prices that have prevailed for the past 18 months. It is evident that producers did not move out as many old hens this fall as they usually do. Prices for hens did not decline as much during the summer as formerly and have actually increased about 2 cents a pound since October. This is a very unusual price change for hens as they are selling in competition with turkeys during the fall. Producers expecting to sell old hens should do so early in the 1956 season as marketings will increase at the first sign of a decline in egg prices.

Broiler producers cannot expect prices to show much improvement until February or March. Studies of prices indicate that favorable prices during these two months usually encourage producers to over-expand production throughout the season resulting in unfavorable prices during the heavy production season. Production plans should not be based entirely on prices for these two months as so often is the case.

Turkey producers have indicated intentions to expand production. Breeder hens are to be increased 13 percent for the heavy breeds and 7 percent for the light breeds. An increase in turkey prices in 1955 over 1954 and lower feed prices have encouraged expansion.—**K. C. Davis.**

Sheep, Lambs and Wool

Sheep and Lambs

The January 1, 1956 inventory of sheep and lambs on farms most likely will show a slight decrease. This is based on an increase

in sheep and lamb slaughter (up 2 percent through October, 1955) and a 1 percent decrease in the lamb crop. If slaughter continues at present levels, this will be the fourth consecutive year that a decrease in inventory numbers has occurred.

The 1955 total for sheep and lamb slaughter is expected to reach 16.6 million head. This would be the greatest number slaughtered since 1948 and the fourth year of rising slaughter. Although numbers on farms have been decreasing, there will be no appreciable change in number slaughtered. The slaughter has been maintained primarily by slow net reductions in inventories on farms and somewhat by an increase in number of lambs saved per ewe.

The 1956 slaughter of sheep and lambs probably will remain close to the number of the past 2 years. This trend is expected to change within the next few years because inventory numbers are expected to rise. This should result in a decrease in the slaughter of sheep and lambs.

The 1955 average lamb prices received by farmers were more stable than in 1954. However, the year's average price will be lower because the 1955 March and April prices were not as high as a year earlier. Lamb prices during the fall of 1955 held up much better than did slaughter steer prices.

Lamb prices for 1956 are expected to remain about the same as the 1955 prices. No large price increases are expected because of the close correlation of lamb prices to the prices of other animals.

Wool

The 1955 prices received by farmers for wool were substantially lower than in 1954 when the government loan program was in effect. So far this season, the mid-month averages of prices received have ranged from a high of 48.7 cents at mid-April to a low of 40.3 cents at mid-September. The average for 1955 is expected to be from 44 to 46 cents as compared with an average of 53.9 cents per pound for the 1954 season. However, under the current support program, incentive payments will be made to individual producers. Payments will be equal to the percentage increase needed to bring the U. S. price received per pound up to the incentive level of 62 cents per pound. Payments on pulled wool will be based on the weight of yearlings or lambs slaughtered. Payments per hundred-weight of live animal generally will be equal to 4 times the average payment per pound of shorn wool.

For the 1956 marketing year, incentive payments will be continued at the support level of 62 cents per pound and will be made in the same manner as the 1955 payments. Therefore, the general trend of market prices received by farmers is expected to follow the 1955 pattern.—**Walter Rogers.**

Table 1.—Prices Received by Farmers for Oklahoma Farm Products.
(Dollars)

		Wheat	Corn	Oats	Barley	Rye	Grain sorghum	Cotton-lint	Cotton-seed	Sweet potatoes	Soybeans	Peanuts	Alfalfa seed
1953		2.05	1.54	.85	1.25	1.47	1.36	.289	60.42	3.32	2.43	.113	14.65
1954		2.12	1.50	.81	1.09	1.18	1.27	.304	52.83	2.82	2.70	.112	14.31*
1954	Nov.	2.18	1.53	.86	1.15	1.25	1.23	.304	57.00	2.80	2.35	.118	15.36*
	Dec.	2.18	1.52	.87	1.17	1.20	1.29	.301	58.00	3.15	2.35	.117	15.72*
1955	Jan.	2.18	1.55	.88	1.18	1.20	1.32	.303	58.00	3.30	2.35	.126	16.32*
	Feb.	2.18	1.55	.86	1.15	1.15	1.29	.307	57.00	3.30	2.40	.118	16.68
	Mar.	2.18	1.50	.83	1.10	1.15	1.29	.305	57.00	3.20	2.40	.120	16.32
	Apr.	2.19	1.49	.83	1.10	1.07	1.29	.305	57.00	3.20	2.35	.120	16.08
	May	2.25	1.49	.82	1.10	1.10	1.32	.315	57.00	**	2.40	.115	16.32
	June	2.10	1.52	.69	.88	1.02	1.32	.314	57.00	**	2.30	.115	15.42
	July	2.06	1.52	.66	.87	1.03	1.23	.310	56.00	**	2.25	.115	15.72
	Aug.	2.01	1.38	.66	.89	1.05	.97	.310	52.00	2.80	2.20	.115	14.88
	Sept.	2.00	1.19	.67	.88	1.07	.92	.318	43.00	2.50	1.90	.112	11.28
	Oct.	2.00	1.23	.70	.90	1.13	.89	.292	45.00	2.35	1.92	.113	11.16
	Nov.	1.99	1.23	.68	.88	1.13	.89	.290	44.00	1.90	1.95	.111	10.56

		All hay	Alfalfa hay	Prairie hay	Cattle	Calves	Sheep	Lambs	Hogs	Wholesale milk	Butterfat	All chickens	Eggs	Turkeys
1953		26.67	31.87	21.21	14.58*	16.28*	6.44*	20.17*	21.62*	4.60	.59	.230*	.417	.281
1954		22.38	26.71	18.30	13.91*	16.20*	5.82*	19.90*	22.39*	4.27	.52	.185	.319	.275
1954	Nov.	27.20	32.00	23.00	12.40*	15.20*	5.00	17.80	18.70	4.75*	.52	.152*	.298	.270
	Dec.	28.00	33.00	23.00	13.40*	15.70	4.80	17.50*	17.80*	4.75	.52	.148*	.316	.280
1955	Jan.	28.50	33.50	23.00	14.00	16.20	6.00	18.50	17.50	4.65	.52	.188	.295	.260
	Feb.	28.20	32.80	22.90	15.00	17.00	6.50	18.70	17.30	4.55	.52	.210	.330	.260
	Mar.	26.30	31.00	21.12	15.10	17.20	6.40	19.90	15.70	4.45	.53	.231	.327	.250
	Apr.	26.00	31.00	20.50	15.30	17.50	6.40	20.10	17.10	4.05	.53	.218	.293	.260
	May	23.90	28.00	19.00	14.50	17.00	6.50	18.70	16.90	3.85	.53	.205	.281	.240
	June	19.60	22.50	15.80	15.00	18.00	6.00	20.90	19.10	4.00	.51	.197	.265	.230
	July	19.30	22.50	15.40	14.40	16.80	5.50	19.00	17.90	4.15	.51	.194	.268	.220
	Aug.	19.70	23.00	15.70	14.30	16.80	5.50	18.00	16.40	4.35	.50	.208	.301	.240
	Sept.	20.20	23.50	16.50	14.00	17.00	4.80	17.40	16.20	4.65*	.51	.195	.370	.260
	Oct.	20.80	25.00	15.50	13.60	17.00	5.00	17.10	14.90	4.70*	.51	.183	.377	.290
	Nov.	20.80	24.60	15.70	12.70	15.50	5.00	16.70	13.00	4.80	.51	.182	.410	.290

SOURCE: *Prices Received by Farmers*, Agricultural Marketing Service, U.S.D.A., Oklahoma City, Oklahoma, Monthly Releases or *Agricultural Prices*, A.M.S., U.S.D.A., Washington, D. C.

* Revised.
** Data not available.

Table 2.—Index Numbers of Prices Received by Farmers for Oklahoma Farm Products.[1]
(Percent of 1910-14 Average)

		Wheat	Corn	Oats	Barley	Rye	Grain sorghums	Cotton-lint	Cotton-seed	Sweet potatoes	All hay
1953		239	237	189	211	171	199	256	309	269	302
1954		247	230	180	185	137	187	270	268	230	254
1954	Nov.	253	235	191	195	145	181	269	291	228	308
	Dec.	253	234	193	198	140	190	266	296	256	317
1955	Jan.	253	238	196	200	140	194	268	296	268	323
	Feb.	253	238	191	195	134	190	272	291	268	320
	Mar.	253	231	184	187	134	190	270	291	260	298
	Apr.	255	229	184	187	124	190	270	291	260	295
	May	262	229	182	187	129	194	279	291	**	271
	June	244	234	153	149	119	194	278	291	**	222
	July	240	234	147	147	120	181	274	286	**	219
	Aug.	234	212	147	151	122	143	274	266	228	223
	Sept.	233	183	149	149	124	135	281	220	203	229
	Oct.	233	189	156	153	132	131	258	230	191	236
	Nov.	231	189	151	149	132	131	257	225	154	236

		Cattle	Calves	Sheep	Lambs	Hogs	Wholesale milk	Butterfat	All chickens	Eggs
1953		302	272	140	346	307	238	251	244	234
1954		288*	271*	125*	341*	318*	221	223	196	179
1954	Nov.	257*	255*	108	305	266	246*	222	162*	167
	Dec.	277*	263	103	300*	253*	246	222	157*	178
1955	Jan.	290	271	130	318	249	241	222	200	166
	Feb.	311	285	141	321	246	236	222	223	185
	Mar.	313	288	138	341	223	231	226	246	184
	Apr.	317	293	138	345	243	210	226	232	165
	May	300	285	141	321	240	199	226	218	158
	June	311	302	130	359	271	207	218	210	149
	July	298	281	119	326	254	218*	218	206	151
	Aug.	296	281	119	309	233	225	214	221	169
	Sept.	290	285	103	299	230	241*	218	207	208
	Oct.	282	285	108	293	212	243	218	195	212
	Nov.	263	260	108	286	185	249	218	194	230

SOURCE: Compiled by Dept. Agri. Econ., Oklahoma A. & M. College, from data supplied by Agricultural Marketing Service, U.S.D.A., Oklahoma City, Oklahoma and Washington, D. C.
For previous years, see Oklahoma Agri. Exp. Sta. Bul. 238, *Oklahoma Farm Price Statistics* and *Current Farm Economics*, Okla. Expt. Sta. series 49, Vol. 13, Nos. 1 and 2, Feb.-Apr., 1940. Tables 16-19, and subsequent issues.

[1] For the index of purchasing power of a unit of an individual commodity in terms of commodities used in farm production and family living, divide the index of price received by Oklahoma farmers (in this table) by the index of prices paid by United States farmers (in Table 4) for the same month and multiply by 100.

* Revised.
** Data not available.

divide the index of price received by Oklahoma farmers (in this table) by the index of prices paid by United States farmers (in Table 4) for the same month and multiply by 100.

* Revised.

** Data not available.

Table 3.—Price Indexes of Groups of Oklahoma Farm Products.
(Percent of 1910-14 Average)

		All commodities	Total crops	Grain	Cotton & cottonseed	Misc. crops	Total livestock and L. S. products	Meat animals	Dairy products	Chickens and eggs
1953		260	252	234	261	254	279	301	246	237
1954		258*	258	239	269	242	260*	295*	223	184
1954	Nov.	254*	262	245	271	289	236*	259*	230*	166*
	Dec.	256*	262	245	269	302	243*	270*	230	172*
1955	Jan.	259	263	246	271	310	248	277	228	175
	Feb.	263	266	246	274	307	261	291	227	196
	Mar.	262	263	244	272	289	259	287	228	201
	Apr.	262	263	245	272	286	259	295	221	183
	May	262	268	250	280	205	250	283	217	174
	June	260	261	236	279	168	257	299	210	165
	July	255	257	232	276	165	249	285	217	166
	Aug.	253	254	223	273	224	248	278	218	183
	Sept.	253	253	218	275	223	252*	273	226*	208
	Oct.	243	242	219	255	225	245	263	227	207
	Nov.	238	240	218	253	216	235	242	228	220

Purchasing Power Indexes[1] of Groups of Oklahoma Farm Products.
(Percent of 1910-14 Average)

		All commodities	Total crops	Grain	Cotton & cottonseed	Misc. crops	Total livestock and L. S. products	Meat animals	Dairy products	Chickens and eggs
1953		91	88	82	92	90	98	106	86	83
1954		90*	90	84	94	85	91*	104	78	64
1954	Nov.	89*	92	86	95	102	83	91*	81*	58*
	Dec.	90	92	86	95	106	86*	97	81	61*
1955	Jan.	91	92	86	95	108	87	97	80	61
	Feb.	92	93	86	96	107	91	102	79	69
	Mar.	91	92	85	95	101	90	100	79	70
	Apr.	92	92	86	95	100	91	103	77	64
	May	92	94	87	98	72	87	99	76	61
	June	91	91	82	97	59	90	104	75	57
	July	89	90	81	97	58	87	100	76	58
	Aug.	88	89	78	95	78	87	97	76	64
	Sept.	89	89	77	97	79	89*	96	80*	73
	Oct.	86	85	77	90	79	86	93	80	73
	Nov.	84	85	77	89	76	83	85	80	77

SOURCE: Compiled by Dept. Agri. Econ., Oklahoma A. & M. College, from data supplied by Agricultural Marketing Service, U.S.D.A., Oklahoma City, Oklahoma, and Washington, D. C.

[1] The ratio of prices received by farmers to prices paid by farmers for commodities used in farm living and production. For individual commodities see footnote 1 of Table 2.

* Revised.

Table 4.—Index Numbers in the United States, Index of Demand Deposits in Oklahoma, and Oklahoma Price Ratios.

		United States index numbers of:					Oklahoma price ratios[4]			
		Prices received by farmers (1910-14=100)	Prices paid by farmers (1910-14=100)	Wholesale prices (1910-14=100)	Factory payrolls[1] (1947-49=100)	Index of demand deposits in Oklahoma[2 3] (1923-25=100)	Hog corn	Egg feed	Turkey feed	Milk feed
1950		256	261	236	111.7	346.8	14.21	9.4	7.6	1.442
1951		302	284	262	129.8*	273.1	12.82	10.8	8.0	1.509
1952		288	288	250	136.6*	293.2	10.20	8.9	7.0	1.533*
1953		258	284	247	151.6*	289.3	14.04*	11.2	7.6	1.520
1954		250	286	247	138.0	289.3	15.15	8.6	7.4	1.463
1954	Nov.	244	284	247	142.7*	296.8	12.22	8.1	7.3	1.543*
	Dec.	239	284	245	143.9	296.2	11.84	8.6	7.6	1.602
1955	Jan.	244	286	247	141.5	296.1	11.29	7.9	7.0	1.545
	Feb.	245	286	247	144.4	289.3	11.16	8.8	7.0	1.514
	Mar.	244	287	247	146.6	287.2	10.47	8.8	6.8	1.510
	Apr.	247	286	247	146.7	288.8	11.48	8.0	7.1	1.375
	May	244	286	247	150.1*	288.1	11.34	7.6	6.5	1.320
	June	243	287	247	152.1	290.8	12.57	7.3	6.4	1.433
	July	237	286	247	151.0*	292.0	11.78	7.5	6.2	1.527
	Aug.	233	286	247	154.6	288.3	11.88	8.9	7.1	1.658
	Sept.	235	283*	249	158.8	288.1	13.61	11.3	7.9	1.739
	Oct.	230	284	249	----	289.2	12.11	11.4	8.8	1.847
	Nov.	225	284	249	----	----	10.57	12.6	8.9	1.922

SOURCE: Indexes of U. S. prices received and prices paid by farmers and indexes of U. S. wholesale prices, from *Agricultural Prices*, A.M.S., U.S.D.A., Washington, D. C. Indexes of demand deposits in Oklahoma, calculated by Dept. Agri. Econ., Okla. Agri. Exp. Sta. from data furnished by Federal Reserve Board, Washington, D. C. Indexes of factory payrolls, from U. S. Department of Labor, Bureau of Labor Statistics, Washington, D. C.

[1] Unadjusted for seasonal variation.

[2] Demand deposits of Oklahoma member banks of the Federal Reserve System located in places under 15,000 population.

[3] Index numbers based on net demand deposits prior to 1936 and upon gross demand deposits since that date. For a discussion of this index see CURRENT FARM ECONOMICS, Oklahoma Agricultural Experiment Station Series 49, Vol. 13, Nos. 1 and 2. Feb.-Apr., 1940. p. 41.

[4] The number of bushels of corn or pounds of feed which one unit of the commodity (100 pounds of hogs, one dozen eggs, one pound of turkeys or milk) will purchase. Prices used are the official A.M.S. estimates of prices received by Oklahoma farmers except for commercial feeds or ingredients which are official A.M.S. estimates of prices paid by Oklahoma farmers. These ratios are computed on the basis of fixed rations and are not directly comparable with ratios computed from other rations. The composition of each ration used is available upon request.

* Revised.

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